

REFERENCE TITLE: records disposal; personal identifying information

State of Arizona  
House of Representatives  
Forty-seventh Legislature  
Second Regular Session  
2006

## HB 2016

Introduced by  
Representatives Gray C: Burges

### AN ACT

AMENDING TITLE 44, ARIZONA REVISED STATUTES, BY ADDING CHAPTER 32; RELATING TO THE DISCARD AND DISPOSAL OF PERSONAL AND ENTITY IDENTIFYING INFORMATION RECORDS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:  
2       Section 1. Title 44, Arizona Revised Statutes, is amended by adding  
3 chapter 32, to read:

CHAPTER 32

## RECORD DISCARD AND DISPOSAL

## ARTICLE 1. DISCARD AND DISPOSAL OF PERSONAL AND ENTITY IDENTIFYING INFORMATION RECORDS

44-7501. Discarding and disposing of records containing personal identifying information or entity identifying information; civil penalty; affirmative defense; enforcement; definitions

A. A BUSINESS SHALL NOT DISCARD OR DISPOSE OF A RECORD CONTAINING PERSONAL IDENTIFYING INFORMATION OR ENTITY IDENTIFYING INFORMATION UNLESS THE BUSINESS DOES AT LEAST ONE OF THE FOLLOWING:

1. SHREDS THE CUSTOMER'S RECORD BEFORE DISCARDING OR DISPOSING OF THE RECORD.

2. ERASES THE PERSONAL IDENTIFYING INFORMATION OR ENTITY IDENTIFYING INFORMATION CONTAINED IN THE CUSTOMER'S RECORD BEFORE DISCARDING OR DISPOSING OF THE RECORD.

3. MODIFIES THE CUSTOMER'S RECORD TO MAKE THE PERSONAL IDENTIFYING INFORMATION OR ENTITY IDENTIFYING INFORMATION UNREADABLE BEFORE DISCARDING OR DISPOSING OF THE RECORD.

4. TAKES ACTIONS THAT THE BUSINESS REASONABLY BELIEVES WILL ENSURE THAT NO UNAUTHORIZED PERSON WILL HAVE ACCESS TO THE PERSONAL IDENTIFYING INFORMATION OR ENTITY IDENTIFYING INFORMATION CONTAINED IN THE CUSTOMER'S RECORD FOR THE PERIOD BETWEEN THE RECORD'S DISCARD OR DISPOSAL AND THE RECORD'S DESTRUCTION.

B. EXCEPT AS OTHERWISE PROVIDED IN THIS SUBSECTION, A BUSINESS THAT VIOLATES SUBSECTION A OF THIS SECTION IS SUBJECT TO A CIVIL PENALTY NOT TO EXCEED FIVE HUNDRED DOLLARS FOR EACH CUSTOMER'S RECORD THAT CONTAINS PERSONAL IDENTIFYING INFORMATION OR ENTITY IDENTIFYING INFORMATION THAT IS WRONGFULLY DISCARDED OR DISPOSED. THE TOTAL CIVIL PENALTY IMPOSED SHALL NOT EXCEED TEN THOUSAND DOLLARS OR THE ACTUAL AMOUNT OF THE LOSS TO THE VICTIMS, WHICHEVER IS GREATER.

C. IT IS AN AFFIRMATIVE DEFENSE TO THE WRONGFUL DISCARD OR DISPOSAL OF A CUSTOMER'S RECORD THAT CONTAINS PERSONAL IDENTIFYING INFORMATION OR ENTITY IDENTIFYING INFORMATION IF THE BUSINESS SHOWS THAT IT USED DUE DILIGENCE TO PROPERLY DISCARD OR DISPOSE OF THE RECORD.

D. THIS SECTION MAY BE ENFORCED BY EITHER OF THE FOLLOWING:

1. A COUNTY ATTORNEY IN THE COUNTY IN WHICH THE CUSTOMER'S RECORD WAS  
WRONGFULLY DISCARDED OR DISPOSED.

2. THE ATTORNEY GENERAL IF THE WRONGFUL DISCARD OR DISPOSAL OCCURS IN MULTIPLE COUNTIES OR IF THE COUNTY ATTORNEY IN THE COUNTY IN WHICH THE RECORD WAS WRONGFULLY DISCARDED OR DISPOSED CONSENTS TO ENFORCEMENT BY THE ATTORNEY GENERAL.

1       E. FOR THE PURPOSES OF THIS SECTION:  
2       1. "ENTITY IDENTIFYING INFORMATION" HAS THE SAME MEANING PRESCRIBED IN  
3 SECTION 13-2001.  
4       2. "PERSONAL IDENTIFYING INFORMATION" HAS THE SAME MEANING PRESCRIBED  
5 IN SECTION 13-2001.